

AMENDED IN SENATE JANUARY 20, 2004
AMENDED IN SENATE SEPTEMBER 8, 2003
AMENDED IN ASSEMBLY MAY 19, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 806

Introduced by Assembly Member Wiggins
(Coauthors: Assembly Members Negrete McLeod, Samuelian,
and Wolk)
(Coauthor: Senator Alpert)

February 20, 2003

An act to amend Section 19134 of the Government Code, relating to public contracts, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 806, as amended, Wiggins. State contracts: personal services.

Existing law permits state agencies to enter into personal services contracts when certain conditions are met. These conditions include requiring a state agency that enters into a personal services contract for janitorial and housekeeping services, custodians, food service workers, laundry workers, window cleaners, and security guards to include provisions for employee benefits that are valued at least 85% of the state's cost of providing comparable benefits to state employees performing similar duties. For these purposes, existing law defines "benefits" to include health, dental, and vision benefits.

Effective July 1, 2003, existing law (1) requires that state contracts for these types of services also include provisions for employee wages

to be valued at least 85% of the wages provided to state employees performing similar duties, (2) defines “benefits” as also including retirement benefits, holiday pay, sick pay, and vacation pay, as provided, and (3) applies these provisions to wages and benefits of employees of subcontractors providing these services in state-leased facilities where the facility is at least 50,000 square feet in area and the state leases all of the occupied floorspace, as defined, of the facility.

This bill, with the exception of the requirements with respect to holiday pay provisions, would exclude from these requirements contracts that are performed by employees of nonprofit organizations that are employed pursuant to a specified license, certificate, community rehabilitation plan, or a habilitation services program.

This bill would take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19134 of the Government Code is
2 amended to read:

3 19134. (a) Personal services contracts entered into by a state
4 agency in accordance with Section 19130 for persons providing
5 janitorial and housekeeping services, custodians, food service
6 workers, laundry workers, window cleaners, and security guard
7 services shall include provisions for employee wages and benefits
8 that are valued at least 85 percent of the state employer cost of
9 wages and benefits provided to state employees for performing
10 similar duties.

11 (b) For purposes of this section, “benefits” includes “health,
12 dental, retirement, and vision benefits, and holiday, sick, and
13 vacation pay.”

14 (c) (1) The Department of Personnel Administration shall
15 establish annually the state employer wage and benefit costs for
16 workers covered pursuant to this section.

17 (2) Benefit costs shall be established using rates based on single
18 employee, employee plus one dependent, and employee plus two
19 or more dependents, or the costs may be based on a blended rate,
20 subject to the determination of the Department of Personnel
21 Administration.

1 (d) In lieu of providing actual benefits, contractors may comply
2 with this section by a cash payment to employees equal to the
3 applicable determination under subdivision (c).

4 (e) Failure to provide benefits or cash-in-lieu to employees as
5 required under this section shall be deemed to be a material breach
6 for any contract for personal services covered by this section.

7 (f) The Department of General Services and the Department of
8 Personnel Administration may adopt guidelines and regulations to
9 implement the requirements of this section.

10 (g) This section applies to all contracts exceeding 90 days.

11 (h) Holiday pay shall be provided to employees of contractors
12 providing services specified in subdivision (a) on any state holiday
13 that the state facility in which the services are being provided is
14 closed.

15 ~~(i) This section also applies to wages and benefits of employees~~
16 ~~of subcontractors providing services specified in subdivision (a)~~
17 ~~in state leased facilities where the facility is at least 50,000 square~~
18 ~~feet area and the state leases all of the occupied floorspace of the~~
19 ~~facility, except that floorspace occupied by the property manager~~
20 ~~serving the facility and by the property manager serving the~~
21 ~~facility and by any retail, convenience, or food service provider.~~

22 *(i) This section also applies to wages and benefits of employees*
23 *of subcontractors providing services specified in subdivision (a) in*
24 *state-leased facilities where the facility is at least 50,000 square*
25 *feet in area and the state leases all of the occupied floorspace of*
26 *the facility.*

27 (j) With the exception of subdivision (h), this section does not
28 apply to personal services contracts for the services described in
29 subdivision (a) performed by employees of nonprofit
30 organizations that are employed in accordance with any of the
31 following:

32 (1) A special license issued pursuant to Section 1191.5 of the
33 Labor Code.

34 (2) A special certificate issued pursuant to Section 214 of Title
35 29 of the United States Code.

36 (3) A community rehabilitation plan described in Sections
37 19152 and 19404 of the Welfare and Institutions Code.

38 (4) A habilitation services program as described in Sections
39 19352 and 19356.6 of the Welfare and Institutions Code.

1 SEC. 2. This act is an urgency statute necessary for the
2 immediate preservation of the public peace, health, or safety
3 within the meaning of Article IV of the Constitution and shall go
4 into immediate effect. The facts constituting the necessity are:

5 In order to preserve eligibility to bid on state contracts for
6 contractors employing persons with developmental disabilities, it
7 is necessary that this act take effect immediately.

